

Briefing

December 2010

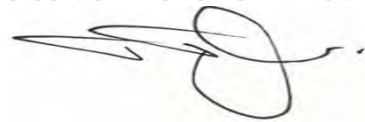
Housing Benefit Reforms >>>

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Welcome to December's Local Authority Briefing

Overshadowing current homelessness prevention strategies and temporary housing provision are the proposed Housing Benefit Reforms and the Communities and Local Government's consultation paper on social housing. In this edition we review what this means to you.

I look forward to seeing you all in 2011.



John Taylor
Chief Executive Officer
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Housing Benefit Reforms

How will they affect you?

The key changes:

- Local Housing Allowance (LHA) rates for Housing Benefit claims will no longer be set at the median 50th percentile point of rents in a Broad Market Rental Area. Instead, from October 2011 the maximum Housing Benefit is to be set to the 30th percentile of local property rents
- Temporary accommodation rates will remain at 90% of median LHA plus £40/60pw management fee allowance
- Housing Benefit payments in the Private Rented Sector will be made directly to tenants
- A universal credit system will be introduced bringing all welfare benefits together in one direct payment (from 2013 onwards)
- Extensions are to be made to the single room rate; under 35's will only receive housing benefit if living in shared accommodation (this previously applied to under 25's only) (from 2012)
- Housing Benefit will be reduced to 90% of the initial award after 12 months for claimants receiving Jobseeker's Allowance (from April 2013)
- LHA rates will be index linked to the consumer prices index (CPI) which currently does not include housing costs and is generally a lower indices, rather than the retail price index (RPI) (from 2013-2014)

The impact:

- A greater demand on your homelessness and housing options services as more households struggle to access private rented accommodation through their own means
- An urgent requirement to review your homelessness prevention strategies as private sector landlords become less willing to accept or retain Housing Benefit tenants
- A need to review your approach to accessing properties from the Private Rented Sector
- A review of your non-statutory single homelessness strategy is required
- Additional pressure to move tenants from expensive rental market areas to more affordable ones
- A need to review tenancy management and sustainment procedures and internal resourcing
- Need to review tenancy management processes and internal resourcing

The Next Steps: what you can do now... We are experienced in working in partnership with Local Authorities to deliver cost efficient housing services. We offer a free consultation to discuss your housing needs. During the consultation we will advise you of suitable options, guide you through the operational details, implementation plans, costs and timescales and will support your strategy every step of the way to ensure efficient service delivery and effective use of resources. For more information and to book your consultation contact Ciaran O'Shea on 01895 208857 or email Ciaran.OShea@orchard-shipman.com.

Local Decisions: a fairer future for social housing

The government has published a consultation document 'Local Decisions: a fairer future for social housing' which sets out reforms to social housing based on localism.

The main proposals under this consultation are:

- Legislation to be introduced to enable local authorities to fully discharge a duty to secure accommodation by arranging an offer of suitable accommodation in the private rented sector, without requiring the applicant's agreement
- Create a new local authority flexible tenancy with a minimum fixed term of two years
- Invest £100m to bring empty homes into use as affordable housing
- Devolved power to local authorities to manage housing waiting lists
- Introduction of a nationwide social homeswap programme
- Reforms to enable local authorities and landlords to tackle overcrowding

What will localism mean for you?

Questions to ask yourself:

- How will you access the private rented sector to discharge homelessness duty?
- What will localism mean for your allocation policy?
- Will it increase homelessness acceptances and does it matter?
- What changes do you need to make to your housing options services?
- How will you access the private rented sector to discharge homelessness duty?

The consultation document published by the Communities and Local Government can be accessed at:

www.communities.gov.uk/publications/housing/socialhousingreform

The consultation on the proposals will end 17 January 2011. Reforms will be introduced through the localism bill proposed for Autumn 2011

A new way of working in a changing environment

The Localism Bill provides an incentive to radically review your housing provision.

With an increasing need to demonstrate cost savings and efficiency of services we are talking to many local authorities who are looking at outsourcing as a means of accessing resources to meet housing requirements.

Contact us to discuss how we can help you meet your housing needs through the private rented sector and outsourcing:

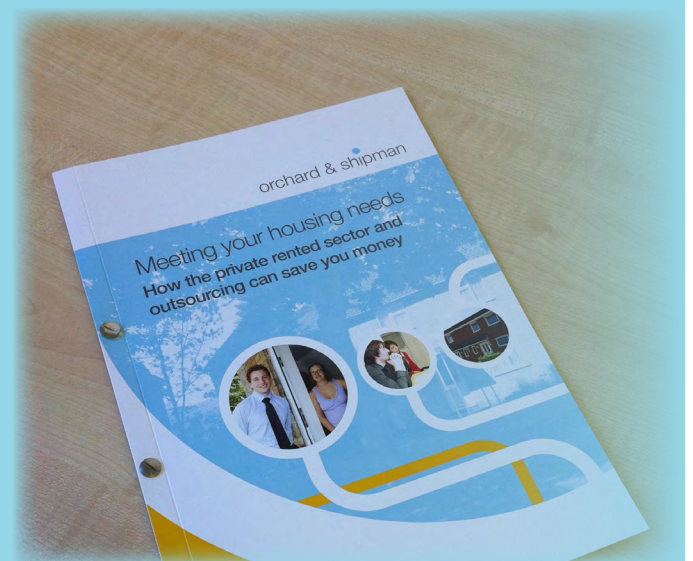
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Download a copy of our latest brochure:

'Meeting your housing needs: How the private rented sector and outsourcing can save you money'.

Click here to download...



Your Questions Answered

We want this briefing to be as informative as possible. If there are any issues or areas you would like to know more about, please send your questions, comments or topics to:

communications@orchard-shipman.com

If this briefing has been forwarded to you and you would like to receive your own copy please email us at the address above

www.orchard-shipman.com